



## **RESOLUTION**

**APPROVING COLLECTIVE BARGAINING COST ITEMS FOR THE HAWAII FIRE FIGHTERS ASSOCIATION BARGAINING UNIT 11 INCLUDED AND EXCLUDED MANAGERIAL EMPLOYEES OF THE CITY AND COUNTY OF HONOLULU.**

WHEREAS, Chapter 89, Hawaii Revised Statutes (HRS), establishes a statewide collective bargaining process for public employees; and

WHEREAS, pursuant to Chapter 89, HRS, the employers and representatives of Bargaining Unit 11 (Hawaii Fire Fighters Association) began negotiations on February 2, 2018, concerning a Collective Bargaining Agreement for the employees in the bargaining unit; and

WHEREAS, negotiation and mediation efforts were unsuccessful and an arbitrator appointed by the parties rendered an award on April 8, 2019; and

WHEREAS, for civil service managers excluded from Bargaining Unit 11, pursuant to Section 89C-3(b)(2), HRS, "adjustments for excluded civil service employees result in compensation and benefit packages that are at least equal to the compensation and benefit packages provided under Collective Bargaining Agreements for counterparts and subordinates within the employer's jurisdiction;" and

WHEREAS, the new Collective Bargaining Agreement makes adjustments to wages and other non-wage cost items and is effective from July 1, 2019 through June 30, 2021; and

WHEREAS, pursuant to Section 89-11(g), HRS, the wage and non-wage cost items are subject to appropriations by the respective legislative bodies; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it approve the collective bargaining cost items for the Bargaining Unit 11 included and civil service excluded managerial employees of the City and County of Honolulu, a summary of which is attached as Exhibit A; and



## RESOLUTION

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BE IT FINALLY RESOLVED that copies of this Resolution be transmitted to the Mayor and Director of Human Resources of the City.

INTRODUCED BY:

*Ann K. Koyama* (br)

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DATE OF INTRODUCTION:

**APR 18 2019**

Honolulu, Hawaii

Councilmembers

**COLLECTIVE BARGAINING REPORT TO CITY COUNCIL  
AGREEMENT FOR BARGAINING UNIT 11 INCLUDED AND EXCLUDED MANAGERIAL**

**Negotiations**

The current collective bargaining agreement for Bargaining Unit 11 with the Hawaii Fire Fighters Association (HFFA) expires on June 30, 2019. Negotiations with HFFA for a successor Collective Bargaining Agreement began on February 2, 2018. The Hawaii Labor Relations Board declared impasse on June 13, 2018, and the parties selected Arbitrator Richard Ahearn as the neutral arbitrator. Hearings were conducted in Honolulu, Hawaii, from January 7, 2019 through January 12, 2019. The hearing resumed on January 22, 2019 through January 25, 2019, and concluded on February 1, 2019. A final and binding decision on the Bargaining Unit 11 interest arbitration was rendered on April 8, 2019.

**Positions Covered in the City and County of Honolulu (as of March 15, 2019)**

Bargaining Unit	Included	Excluded	Excluded Managerial	Total
11 – Firefighters	1,002	-0-	28	1,030

**Duration**

The Bargaining Unit 11 Collective Bargaining Agreement is effective from July 1, 2019, to and including June 30, 2021.

**Cost Items**

The cost items resulting from the arbitration panel's decision are as follows:

**Effective July 1, 2019:**

**Wages**

1. Two percent (2%) across-the-board increase to the salary schedule.
2. Continue existing step-movement plan.
3. One-time lump sum payment for employees on salary ranges from SR17 to SR27:
  - Step E \$1,800.00
  - Step F \$1,825.00
  - Step G \$1,850.00
  - Step H \$1,875.00
  - Step L1 \$1,900.00
  - Step L2 \$1,925.00
  - Step L3 \$1,950.00
  - Step L4 \$1,975.00
  - Step L5 \$2,000.00

**Effective June 30, 2020:****Wages**

1. New intergovernmental movement catch-up step movement: All regular employees who, as a result of an intergovernmental movement to the SR15 salary range, are on a step or receiving a basic rate of pay two (2) or more steps lower than warranted by their cumulative years of service, shall move to one (1) step below their appropriate step on June 30, 2020.

**Effective July 1, 2020:****Wages**

1. Two percent (2%) across-the-board increase to the salary schedule.
2. Continue existing step-movement plan.
3. One-time lump sum payment for employees on salary ranges from SR17 to SR27:
  - Step E \$1,800.00
  - Step F \$1,825.00
  - Step G \$1,850.00
  - Step H \$1,875.00
  - Step L1 \$1,900.00
  - Step L2 \$1,925.00
  - Step L3 \$1,950.00
  - Step L4 \$1,975.00
  - Step L5 \$2,000.00
4. Employees on Step L5 with 28 or more years of service as of June 30, 2020, shall receive an additional one-time lump sum payment of \$500.00.

**Effective June 30, 2021:****Wages**

1. Intergovernmental movement catch-up step movement on June 30, 2021.

**Effective June 30, 2021, at 11:59:59 p.m.:****Wages**

1. Add a new L6 step for employees with 28 or more years of service.

The following chart summarizes the City's estimated salary costs for the two-year contract period:

SALARY COSTS FOR BARGAINING UNIT 11 AND EM*			
	FY20	FY21**	Total FY20-21
Included Employees	\$5,390,243	\$9,816,303	\$15,206,546
EM Employees	\$227,990	\$431,854	\$659,844
TOTAL	\$5,618,233	\$10,248,157	\$15,866,390

\* Includes wage-related fringe benefits.

\*\*Includes rollover from previous year

**Employer-Union Health Benefits Trust Fund (EUTF)**

- A. Effective 7/1/19, the Employer will pay specific dollar amounts for the PPO and HMO plans which increase the Employer contribution rates an average of approximately 4% from the previous year. The Employer contribution shall be capped at 84.3% of the total premium. The Employer will pay specific monthly contributions which are generally equivalent to 60% of the premium cost and 60% of the administrative fees for all other plans except the life insurance plan (for which the Employer shall pay 100% of the premiums and fees).
- B. Effective 7/1/20, the Employer will pay specific dollar amounts for the PPO and HMO plans which increase the Employer contribution rates an average of approximately 10% from the previous year. The Employer contribution shall be capped at 84.3% of the total premium. The Employer will pay specific monthly contributions which are generally equivalent to 60% of the premium cost and 60% of the administrative fees for all other plans except the life insurance plan (for which the Employer shall pay 100% of the premiums and fees).

The following chart summarizes the City's estimated EUTF costs for the two-year contract period:

FY20	FY21	Total FY20-21
\$305,716	\$1,124,388	\$1,430,104

CITY COUNCIL  
CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII  
C E R T I F I C A T E

RESOLUTION 19-96

Introduced: 4/18/19 By: ANN KOBAYASHI – BY REQUEST Committee: BUDGET

Title: RESOLUTION APPROVING COLLECTIVE BARGAINING COST ITEMS FOR THE HAWAII FIRE FIGHTERS ASSOCIATION BARGAINING UNIT 11 INCLUDED AND EXCLUDED MANAGERIAL EMPLOYEES OF THE CITY AND COUNTY OF HONOLULU.

Voting Legend: \* = Aye w/Reservations

04/24/19	BUDGET	CR-137 – RESOLUTION REPORTED OUT OF COMMITTEE FOR ADOPTION. 5 AYES: FORMBY, FUKUNAGA, MANAHAN, PINE, TSUNEYOSHI. 1 EXCUSED: MENOR.
NOTE: COUNCILMEMBER WATERS TOOK OFFICE ON MONDAY, MAY 6, 2019.		
05/08/19	COUNCIL	CR-137 AND RESOLUTION 19-96 WERE ADOPTED. 8 AYES: ANDERSON, ELEFANTE, FUKUNAGA, MANAHAN, MENOR, PINE, TSUNEYOSHI, WATERS. 1 ABSENT: KOBAYASHI.

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.

  
GLEN I. TAKAMASHI, CITY CLERK

  
IKAIKA ANDERSON, CHAIR AND PRESIDING OFFICER